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IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1937.

No. **51**

ARMSTRONG PAINT AND VARNISH WORKS,
Petitioner,

vs.

NU-ENAMEL CORPORATION, an Illinois corporation,
and

NU-ENAMEL CORPORATION, a Delaware corporation,
Intervener,

Respondents.

**PETITION OF ARMSTRONG PAINT & VARNISH
WORKS FOR THE WRIT OF CERTIORARI TO THE
CIRCUIT COURT OF APPEALS FOR THE
SEVENTH CIRCUIT AND BRIEF IN SUPPORT
THEREOF.**

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*To the Honorable, the Chief Justice, and Associate Jus-
tices of the Supreme Court of the United States:*

Your petitioner,* Armstrong Paint & Varnish Works,
respectfully prays for the writ of certiorari to the Cir-

*Petitioner is sometimes referred to herein as defendant, and respondent, "Nu-Enamel Corporation," the Illinois corporation, as plaintiff.

cuit Court of Appeals for the Seventh Circuit to review a judgment of that court entered on the twenty-fourth day of February, 1938, in the case numbered and entitled on its docket No. 6268, *Nu-Enamel Corporation, plaintiff, and. Nu-Enamel Corporation, intervenor, appellants, v. Armstrong Paint & Varnish Works, defendant, appellee*, reversing the decision of the United States District Court in and for the Northern District of Illinois, Eastern Division. A transcript of the record in the case, including the proceedings in said Circuit Court of Appeals, is furnished herewith. The decision of the Circuit Court of Appeals is reported in 95 Fed. (2d) 448 and is attached as an appendix hereto.

SUMMARY AND SHORT STATEMENT OF THE MATTER INVOLVED.

The present suit was brought in the District Court of the United States for the Northern District of Illinois, Eastern Division, by Nu-Enamel Corporation, an Illinois corporation, against Armstrong Paint & Varnish Works, an Illinois corporation. The Bill of Complaint stated at the outset (R. 2), "This is a suit arising under the trade-mark laws of the United States," and charged infringement by defendant* of the plaintiff's alleged trade-mark "Nu-Enamel," registered under the 1920 Trade-Mark Act.

The District Court held that "Nu-Enamel" is not a valid trade-mark either at common law or under the Trade-Mark Laws of the United States, based upon the following findings of fact by the court (R. 108):

2. "Nu" in "Nu-Enamel", appearing on plain-

*The Bill of Complaint charged infringement by defendant's use on paints and varnishes of the mark "Nu-Beauty Enamel," although as hereinafter set forth, defendant's mark was "Nu-Beauty," the word "Enamel" having never appeared on any product save the product commonly known as enamel.

tiff's label is a phonetic spelling or misspelling of the English word "new" and means "new".

3. "Enamel" is a common English word describing a paint which flows out to a smooth coat when applied and which usually dries with a glossy appearance, and has long been known as such in the paint industry and to the public in general.

4. "Nu-Enamel" used in connection with paint or enamel sold by plaintiff means "new enamel" and is a common and generic term descriptive of the product to which it is applied and of its new or recent origin.

5. "Nu" was commonly used in the paint and other industries in combination with other words as a misspelling or phonetic spelling of "new" to designate brands and kinds of enamel, paint and other commodities before plaintiff and its predecessors adopted the name "Nu-Enamel".

Respondents appealed to the Circuit Court of Appeals for the Seventh Circuit which reversed the District Court and held "Nu-Enamel" to be a valid trade-mark.

The District Court had previously (before answer was filed) dismissed the Bill of Complaint because of facts appearing on the face of the bill and the exhibits attached thereto (R. 2-11). On appeal, the Circuit Court of Appeals for the Seventh Circuit (81 Fed. (2d) 1) reversed on the following grounds (which it later overruled and disregarded):

"Determination of the question (i.e. the validity of 'Nu-Enamel' as a trade-mark) turns largely upon the use of the word 'Nu' The Court is not justified in assuming, without evidence, that 'Nu' is phonetic spelling of new." (81 Fed. (2d) 1, at page 2.) (Part in parenthesis ours.)

Defendant then filed its answer (R. 13) and after the hearing which was directed by the Circuit Court of Appeals, the District Court made the findings of fact hereinabove set forth, and again dismissed the bill. Said

findings of fact are based on evidence which not only was uncontradicted, but was largely corroborated and furnished by the testimony of plaintiff's witnesses and records of the plaintiff.

On appeal from the decree of the District Court, dismissing the bill after hearing, the Circuit Court of Appeals, apparently disregarding its first opinion and the directions given therein to the District Court, and absolutely disregarding the uncontradicted findings of fact of the District Court, reversed the District Court and held that "Nu-Enamel" was a valid trade-mark.

Thus, this case has been before four courts, twice before the District Court and twice before the Court of Appeals. Twice the District Court decided against the plaintiff. On the first appeal, the Circuit Court of Appeals, in effect, decided that if "Nu" in "Nu-Enamel" meant "new" (as the District Court later found), "Nu-Enamel" was not a valid trade-mark. On the second appeal, the Circuit Court of Appeals found "Nu-Enamel" to be a valid trade-mark in spite of the findings by the District Court that "Nu-Enamel" was descriptive of the product.

SUBJECT MATTER.

Plaintiff's trade-mark (R. 9) covers mixed paints, varnishes, paint enamels, and other kindred products. Plaintiff's application for this trade-mark under the 1905 Trade-Mark Act was refused because the words "Nu-Enamel" were descriptive of the product. Such refusal was acquiesced in by the plaintiff, which then registered its mark under the 1920 Trade-Mark Act (R. 32, Plf.'s Ex. M), adopted only to permit registration in foreign countries and registration under which act is not even *prima facie* evidence of ownership. (*Kellogg*

Co. v. National Biscuit Co. (C. C. A. 2), 71 Fed. (2d) 662, 666.)

We are concerned here only with the product known as *enamel*.

The record discloses, without contradiction, that defendant's mark was "Nu-Beauty" or "Armstrong New Beauty"; that its products were designated with the species underneath the mark, as follows:

NU-BEAUTY PAINT	or	ARMSTRONG NEW BEAUTY PAINT
NU-BEAUTY VARNISH	or	ARMSTRONG NEW BEAUTY VARNISH
NU-BEAUTY FURNITURE CREAM	or	ARMSTRONG NEW BEAUTY FURNITURE CREAM
NU-BEAUTY ENAMEL	or	ARMSTRONG NEW BEAUTY ENAMEL

The record further discloses, without contradiction, that the defendant never used the word "*enamel*" with its mark "Nu-Beauty" or "Armstrong New Beauty" on any product save the product commonly and generally known as "*enamel*." (R. 41, 72. Def.'s Exs. 80-85 inc.) Plaintiff sells its *enamel* under its mark "Nu-Enamel" without further or other designation of the product as *enamel* (R. 7).

The Circuit Court of Appeals in considering, in its opinion, whether "Nu-Enamel" is a descriptive term, discusses products other than *enamel* and in no way involved herein, and fails to discuss and consider the product known as "*enamel*," the *only* product here in issue. The

Circuit Court of Appeals, therefore, evades the obvious question based on the record facts in this case and raised in its first opinion, namely, whether "Nu-Enamel" is descriptive of the product known as *enamel*, and the question whether defendant in the sale of *enamel* has the right to use the word *enamel* in connection with its marks "Nu-Beauty" and "Armstrong New Beauty" to designate that product.

A startling feature of the decision is that no conflict of testimony in the District Court occurred upon which any reversal of fact could possibly be predicated, and that the Court of Appeals, in its opinion, has failed entirely to give cognizance to the findings of fact by the District Court (R. 109) that "Nu" was commonly used in the paint industry prior to the adoption by plaintiff of its trade-mark "Nu-Enamel" and that the word "enamel" describes a paint, and has failed as well to give cognizance to the other findings of fact by the District Court, above set forth (pp. 2-3).

There was no issue of unfair competition. The Bill of Complaint did not allege unfair competition, nor did it pray for relief against unfair competition.

The Circuit Court of Appeals was of the opinion that long user of a trade name, as a result of which it acquired a secondary meaning, could make valid as a trade-mark what was invalid, both at common law and under the Trade-Mark Laws of the United States.

If the decision of the Circuit Court of Appeals is permitted to stand, one who discovers and produces a new kind of enamel could not so advertise it to the trade or to the consumer.*

*Mr. Edward S. Rogers (senior counsel for respondents), in his book entitled "Good Will, Trade Marks and Unfair Trading," (1914 Ed. reprinted 1919) says (P. 79): "descriptive words are not protected as trade marks for the excellent reason that to give to one producer the exclusive right to such a word would prevent others from accurately describing their own goods."

QUESTIONS PRESENTED.

1. Whether "Nu-Enamel," consisting of the word "Nu" which means "new," and "Enamel" which describes a common species of paint called "enamel," is a valid trade-mark under the Trade-Mark Laws of the United States for paints, and particularly the species of paint commonly known as "enamel."

2. Whether the fact that "Nu-Enamel" had acquired a secondary meaning can make it valid as a trade-mark, if it otherwise is invalid under the Trade-Mark Laws of the United States.

3. Whether the petitioner has the right in the sale of the product commonly known as enamel to use the word "enamel" in connection with its mark "Nu-Beauty" or "New Beauty".

REASONS RELIED ON FOR THE GRANTING OF THE WRIT OF CERTIORARI.

1. The decision of the court below that a descriptive term like "Nu-Enamel," descriptive of a product known as "enamel," is a valid trade-mark, is in conflict not only with applicable decisions of this court (*Elgin Watch Co. v. Illinois Watch Case Co.*, 179 U. S. 665), but also with decisions of other Circuit Courts of Appeals, which hold that descriptive words cannot be the subject of a valid trade-mark under the Trade-Mark Laws of the United States, even where they have acquired a secondary meaning.

2. Because the Circuit Court of Appeals has decided an important question of Trade-Mark Law in a way probably untenable and in conflict with the applicable decisions of this court and of Circuit Courts of Appeals, and in conflict with the overwhelming weight of authority.

3. Because the decision of the Circuit Court of Appeals has reversed and completely disregarded important findings of fact of the trial court based on uncontradicted evidence, which action of the Circuit Court of Appeals was, therefore, in direct conflict with the rule of law stated by this court in *Adamson v. Gilliland*, 242 U. S. 350.

4. Regardless of the propriety of the holding of the Circuit Court of Appeals that "Nu-Enamel" is a valid trade-mark and not descriptive as to paint brushes, wood powder, etc., it was in error in holding it a good trade-mark to designate enamel, the only product here involved, whether such enamel be new or old, or whether "new" be spelled "nu," or "old" be spelled "auld".

5. The court below erred in holding that the fact that a descriptive term has acquired a secondary meaning gives it validity as a trade-mark under the Trade-Mark Laws of the United States, and that such mark is protected even where unfair competition is not an issue, contrary to the applicable decision of this court in *Elgin Watch Co. v. Illinois Watch Case Co.*, 179 U. S. 665.

6. Because of the sharp conflict in the two opinions of the Circuit Court of Appeals rendered herein and the sharp conflict of opinion between the Court of Appeals and the District Court in a proceeding, the subject-matter and final judgment of which is of public, economic and industrial importance in the paint and other industries and because they involve monopolistic control of words of common usage.

WHEREFORE, your petitioner respectfully prays that a writ of certiorari be issued under the seal of this Court directed to the United States Circuit Court of Appeals for the Seventh Judicial Circuit, sitting at Chicago, Illinois, commanding said court to certify and send to this

court on a day to be designated, a full and complete transcript of the record and all proceedings of the Circuit Court of Appeals had in this cause, to the end that this cause may be reviewed and determined by this Court; that the judgment of the Circuit Court of Appeals be reversed, and that petitioner be granted such other and further relief as may seem proper.

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GEORGE I. HAIGHT,

MOSES LEVITAN,

Counsel for Petitioner.

BRIEF IN SUPPORT OF THE PETITION.

OPINIONS BELOW.

The District Court did not render a written opinion, but its findings of fact and conclusions of law appear at pages 108 and 109 of the record, and the decree of the District Court appears on page 115 of the record. The opinion of the Circuit Court of Appeals for the Seventh Circuit is reported in 95 Fed. (2d) 448, and is attached as an appendix hereto. The first opinion of the Circuit Court of Appeals for the Seventh Circuit is reported in 81 Fed. (2d) 1.

JURISDICTION.

1. The decision below was entered on February 24, 1938 (R. 134). Petition for rehearing was filed on March 16, 1938 (R. 138), and denied on March 8, 1938 (R. 139).

2. The judgment was rendered in a suit in equity brought under the Trade-Mark Statutes of the United States to determine the issues of the validity and infringement of a Trade-Mark issued under Section 15 U. S. C. A. 121.

3. The Statute under which jurisdiction is invoked is Section 240 (a) of the Judicial Code, as amended by the act of February 13, 1925; U. S. C. Title 28, Section 347 (a).

STATEMENT OF THE CASE.

The facts are sufficiently stated in the petition, to which reference is made.

SPECIFICATIONS OF ERRORS.

The Circuit Court of Appeals for the Seventh Circuit erred,

1. In disregarding the uncontradicted fact that *enamel* is the only product on which defendant used the word "enamel" and that enamel is the only product in issue herein.

2. In reversing the decree of the District Court and in holding that "Nu-Enamel" is a valid trade-mark for paints, enamels, etc.

3. In failing to hold that "Nu-Enamel" is invalid as a trade-mark for paints and allied products because it is descriptive of the product.

4. In failing to hold that "Nu-Enamel" is invalid as a trade-mark for the product known as *enamel*, because it is descriptive of enamel.

5. In reversing the positive finding of fact of the District Court based on uncontradicted evidence that "Nu-Enamel", used in connection with paint or enamel, means "new enamel", and is a common and generic term descriptive of the product to which it is applied.

6. In disregarding entirely the finding of fact of the District Court based on uncontradicted evidence that "nu" was commonly used in the paint and other industries as a phonetic spelling of "new" to designate brands and kinds of enamel, paint and other commodities before plaintiff and its predecessors adopted the name "Nu-Enamel".

7. In considering the issue of unfair competition and other matters not raised by the pleadings, and over which the court had no jurisdiction.

SUMMARY OF ARGUMENT.

The points of argument follow in the main the reasons relied upon for the allowance of the writ of certiorari, and are stated in the index hereto *supra*, page 1..

ARGUMENT

I.

The decision of the Circuit Court of Appeals that "Nu-Enamel" is a valid trade-mark is contrary to the trade-mark Laws of the United States, under which this suit was brought, and in conflict with applicable decisions of this court and of other Circuit Courts of Appeals.

A. Descriptive words are not valid as trade-marks under the trade-mark laws of the United States.

We are not concerned in this case with any product either of plaintiff or defendant other than the product commonly known as enamel. *Enamel is the only product in issue.* (R. 41, 72.)

The question in this case is whether "Nu-Enamel", which the District Court found from uncontradicted evidence to mean "new enamel" and, therefore, descriptive of the product known as enamel, can be the subject of a valid trade-mark under the Trade-Mark Laws of the United States.

The first section of the Trade-Mark Act of March 19, 1920 (Section 121, Chapter 3, Title 15, Code of Laws of

the United States of America) (15 U. S. C. A. 121), under which "Nu-Enamel" was registered, provides:

"The Commissioner of Patents shall keep a register of . . . (b) all other marks not registerable under the preceding subdivision of this chapter, except those specified in Paragraphs (a) and (b) of Section 85 of this chapter."

Paragraph (b) of Section 85, (15 U. S. C. A. Sec. 85), provides that:

"No mark which consists . . . merely in words or devices which are descriptive of the goods with which they are used . . . shall be registered."

The Circuit Court of Appeals in its opinion, however, overlooked and disregarded the fact that the only product involved in this case is enamel. In discussing the question as to whether or not "Nu-Enamel" is descriptive, the court refers to products other than enamel, entirely ignoring enamel, the only product in issue.

In respect to the question of descriptiveness of the plaintiff's mark "Nu-Enamel," it may be a good trade-mark for brushes, wood powder, wax, varnish remover, solder and tack rags, but "Nu-Enamel" is descriptive of *new enamel*, whether "new" be spelled "nu" or "new". "*New Tack Rags*" might be non-descriptive and a good trade-mark for new enamel, but it would be descriptive of *new tack rags* and invalid as a trade-mark for such *rags*. The conclusion of the Circuit Court of Appeals that the words "Nu-Enamel" are not descriptive of many articles (listed above) other than enamel, upon which Respondent uses them is not a sound basis for the further conclusion that therefore Nu-Enamel does not describe *new enamel*.

The District Court, however, basing its conclusion on

the findings of fact, hereinabove set out (pages 2-3), that "Nu-Enamel" was descriptive of the product, properly concluded that it was invalid as a trade-mark, both under the Trade-Mark Laws of the United States, and under the common law.

That words descriptive of the product with which they are used, even when misspelled, are not the subject of a valid trade-mark, either at common law or under the Trade-Mark Laws of the United States, is so fundamental that it scarcely requires the citation of authorities. We refer to the oft cited and quoted cases, *Standard Paint Co. v. Trinidad Asphalt Co.*, 220 U. S. 446, involving the misspelled word "Rubberoid"; *Canal Co. v. Clark*, 13 Wall., 311; *Elgin Watch Co. v. Illinois Watch Co.*, 179 U. S. 665. In the latter case, this court said (page 673):

" . . . it follows that no sign or form of words can be appropriated as a valid trade-mark which from the nature of the fact conveyed by its primary meaning, others may employ with equal truth, and with equal right, for the same purpose."

B. That a descriptive word or term has acquired a secondary meaning does not render it capable of being appropriated as a valid trade-mark under the trade-mark laws of the United States.

This question was decided by this court in *Elgin Watch Co. v. Illinois Watch Case Co.*, 179 U. S. 665, where this court in language unusually applicable and pertinent hereto, said (p. 677):

"It is to be observed, however, that the question we are considering is not whether this record makes out a case of false representation, or perfidious dealing, or unfair competition, but whether appellant had the exclusive right to use the word 'Elgin' as against all the world. Was it a lawfully registered trade mark? If the absolute right to the word as a trade mark belonged to appellant, then the Cir-

cuit Court had jurisdiction under the statute to award relief for infringement; but if it were not a lawfully registered trade mark, then the Circuit Court of Appeals correctly held that jurisdiction could not be maintained.*

"And since while the secondary signification attributed to its use of the word might entitle appellant to relief, the fact that primarily it simply described the place of manufacture, and that appellees had the right to use it in that sense, though not the right to use it, without explanation or qualification, if such use would be an instrument of fraud, we are of opinion that the general rule applied, and that *this geographical name could not be employed as a trade mark and its exclusive use vested in appellant, and that it was not properly entitled to be registered as such.* (Italics ours.)

The Elgin Watch case has been uniformly followed by the various Circuit Courts of Appeals.**

The Circuit Court of Appeals, however, in this case, contrary to the above decisions of this Court and of other Circuit Courts of Appeals (including the Circuit Court of Appeals for the Seventh Circuit in the case of *Speaker Thaler*, 86 Fed. (2d) 985, 987), has held that because "Nu-Enamel" had acquired a secondary meaning, it thereby attained validity as a trade-mark, even though it is descriptive of the products to which it is applied. The admission by defendant in Paragraph 2 of its answer (R. 13) and quoted in the opinion of the court below (R. 134), is an admission only that "Nu-Enamel" had acquired a secondary meaning as a trade name. Such

*As the District Court herein held in its Conclusions of Law. (R. 109.)

**In *re Candia Dry Gingerale, Inc.* (C. C. P. A.) 86 Fed. (2d) 830, in which the *Elgin* case and other cases covering this question are reviewed at length; *Kay & Ess-Co. v. Coe* (C. A. D. C.) 92 Fed. (2d) 552; *Speaker v. Thaler*, (C. C. A. 7) 86 Fed. (2d) 985; *Barber v. Overhead Door Corporation* (C. C. P. A.) 65 Fed. (2d) 147; *Richmond Remedies v. Dr. Miles Medical Co.* (C. C. A. 8) 16 Fed. (2d) 598; *Barton v. Rex Oil Co.* (C. C. A. 3) 2 Fed. (2d) 402; *Hercules Powder v. Newton* (C. C. A. 2) 266 Fed. 169; *Vacuum v. Chmaz Refining* (C. C. A. 6) 120 Fed. 254.

an admission did not give it validity as a *statutory trade-mark*. Under the prohibitions of the Trade-Mark Laws of the United States, and under the applicable decisions of this and other Federal Courts, it is incapable of being a valid trade-mark.

II.

The Circuit Court of Appeals in its opinion has overlooked and disregarded entirely the finding of facts by the District Court that "Nu" was commonly used in the paint industry as a misspelling of "new" before plaintiff and its predecessors adopted the name "Nu-Enamel" and that enamel was an old and well known paint product.

The above finding of facts by the District Court is based on overwhelming evidence, uncontradicted (R. 96-99, 76, 77) (Def's. Ex. 39). The record discloses the common use of "Nu" in the paint industry long before plaintiff adopted the mark "Nu-Enamel". The word "enamel" is notoriously as old as the paint industry itself.* These findings of fact by the District Court are under the principles laid down by this court in *Adamson v. Gilliland*, 242 U. S. 350, 353,* and *McGaughn v. Real Estate Land, Title and Trust Co.*, 297 U. S. 606, 608, unassailable, and conclusive on the Circuit Court of Appeals.

"Nu" and "enamel," therefore, having been used for many years in the paint industry in connection with paint and enamels, are incapable of being appropriated and monopolized as a trade-mark.* This court so held in *Columbia Mill v. Alcorn*, 150 U. S. 460, and *Hanover*

*Where this court said, page 13: "the case is preeminently one for the application of the practical rule that so far as the finding of the Master or Judge who saw the witnesses depends upon conflicting testimony or upon the credibility of witnesses, or so far as there is any testimony consistent with the finding, it must be treated as unassailable." *Davis v. Schwartz*, 155 U. S. 631, 636; 39 L. Ed. 289, 291; 15 Sup. Ct. Rep. 237."

Milling Co. v. Metcalf, 240 U. S. 403, at page 415, where the Court said:

"Of course, if the symbol or device is already in general use, employed in such a manner that its adoption as an index of source or origin would only produce confusion and mislead the public, it is not susceptible of adoption as a trade-mark. Such a case was *Columbia Mill Co. v. Alcorn*, 150 U. S. 460, 464, affirming 40 Fed. Rep 676, where it appeared that before complainant's adoption of the disputed word as a brand for its flour the same word was used for the like purpose by numerous mills in different parts of the country."

It is a rule recognized by Rogers, in his book "*Good Will, Trade-Marks and Unfair Competition*," (1914, reprinted 1919), at page 83.*

III

That "Nu-Enamel" may have acquired a secondary meaning does not prevent others from using such words in their primary descriptive sense as "Nu-Beauty" was used by the defendant in connection with the product known as enamel.

As heretofore pointed out in the petition, page 5, the only product on which defendant ever used the word "enamel" in connection with its mark "Nu-Beauty" was the product known as enamel. On no other product did defendant use the word "enamel" in connection with its mark "Nu-Beauty" (or "Armstrong New Beauty"). The language of this court in the analogous and applicable case of *Warner & Co. v. Lilly & Co.*, 265 U. S. 526, 28, is pertinent:

*"The courts do not protect a trader in the use of things which are common to the trade, because being common to the trade, they cannot indicate commercial origin with any one producer."

"We agree with the courts below that the charge of infringement was not sustained. The name Coco-Quinine is descriptive of the ingredients which enter into the preparation. The same is equally true of the name Quin-Coco. A name which is merely descriptive of the ingredients, qualities or characteristics of an article of trade cannot be appropriated as a trade mark and the exclusive use of it afforded legal protection. The use of a similar name by another to truthfully describe his own product does not constitute a legal or moral wrong, even if its effect be to cause the public to mistake the origin or ownership of the product."

The principle emphasized in the Warner case has been reiterated in numerous cases by various Circuit Courts of Appeal.*

The Circuit Court of Appeals for the Seventh Circuit in *O'Cedar Corporation v. F. W. Woolworth, etc.*, 66 F. (2d) 363 (C. C. A. 7), said even of a validly registered trade-mark "O'Cedar" (366):

"A recognition of the validity of the trade-marks does not give appellant a monopoly of the word 'Cedar'."

(P. 367):

"That appellant acquired no exclusive right to use the words 'cedar' or 'cedar oil' as applied to polish must be readily conceded."

It is submitted that to deny to a company in existence since 1854 (R. 71) the right to sell its enamel as enamel, stretches trade-mark law beyond its elastic limits. Yet this is the result of the Court's opinion, for the defendant is permitted to sell Nu- (or Armstrong New) Beauty varnish, paint, and furniture polish, but not enamel.

**Hygrade, etc. v. W. H. D. Lee, etc.*, (C. C. A. 10) 46 F. (2d) 771, 772; *Barton v. Rez-Oil Co.*, (C. C. A. 3) 2 F. (2d) 402; *Richmond Remedies v. Dr. Miles Medical Co.*, (C. C. A. 3) 16 F. (2d) 598; *Fawcett Publications v. Popular Mechanics*, (C. C. A. 3) 30 F. (2d) 194.

The Court in effect has held that on every species of the class, except enamel, there is no infringement. In other words, the use of the name of the species, *enamel*, in its primary and descriptive sense on cans of *enamel* only,—the only name by which the species is known in the industry,—spells infringement.

CONCLUSION.

From the foregoing it appears that the Circuit Court of Appeals for the Seventh Circuit has now rendered a decision in conflict with its own previous decision, in conflict with the findings of facts and decision of the trial court, in conflict with the controlling and applicable decisions of this court, in conflict with applicable decisions of various Circuit Courts of Appeals (including decisions of the Circuit Court of Appeals for the Seventh Circuit) in a case of great public, economic and industrial importance, and which decision has seriously prejudiced not only the rights of petitioner, but of other paint manufacturers and dealers. We respectfully submit that if "Nu-Enamel" (or "New Enamel") is non-descriptive, and therefore, is a valid trade-mark for the product known as *enamel*, then "Auld Enamel" (or "Old Enamel") is equally non-descriptive and a valid trade-mark for the product known as *enamel*.

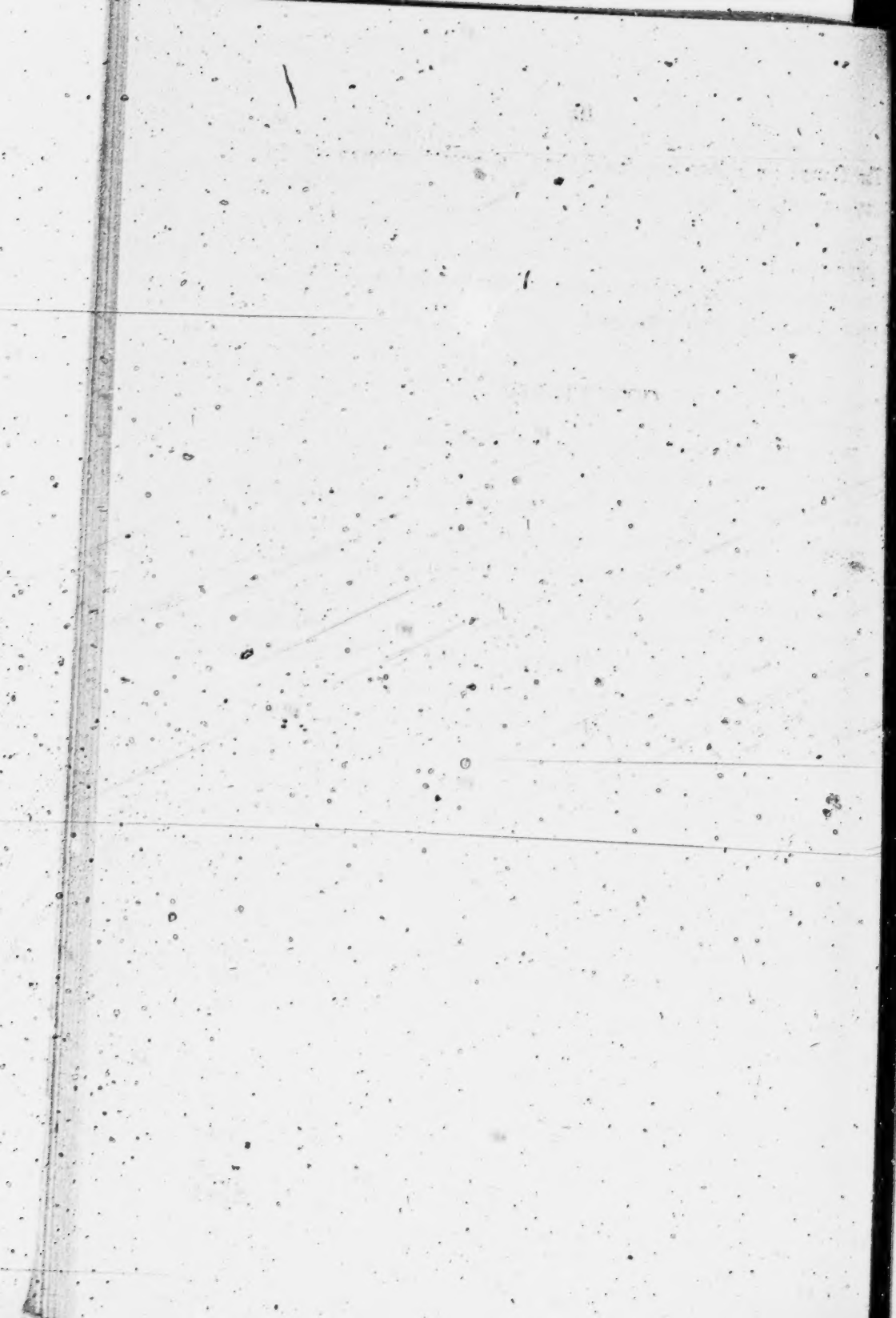
Respectfully submitted,

GEORGE A. CARPENTER,

GEORGE I. HAIGHT,

MOSES LEVITAN,

Counsel for Petitioner.



APPENDIX.

Decision of the Court Below.
(Reported in 95 F. (2d) 448.)

In the

UNITED STATES CIRCUIT COURT OF APPEALS
For the Seventh Circuit.

No. 6268. October Term, 1937, January Session, 1938.

Nu-Enamel Corporation, Plaintiff, and
Nu-Enamel Corporation, Intervener,
Appellants,

vs.

Armstrong Paint and Varnish Works,
Defendant-Appellee.

Appeal from the
District Court of
the United States
for the Northern
District of Illi-
nois, Eastern Di-
vision.

February 24, 1938.

Before EVANS and TREANOR, *Circuit Judges*, and LIND-
LEY, *District Judge*.

LINDLEY, *District Judge*. Plaintiff appeals from a de-
cree of the District Court dismissing for want of equity
its bill for infringement of a trade-mark and to recover
damages for unfair competition. The latter ground for
relief was not considered by the court on its merits but
was disposed of by a finding that the court, having found
the trade-mark invalid, had no jurisdiction to grant re-
lief for unfair competition.

The sufficiency of the bill of complaint was before this
court in *Nu-Enamel v. Armstrong*, 81 F. (2) 1, and it
was there held that the bill was sufficient and that three
questions were presented, namely, (1), has plaintiff a
valid trade-mark in "Nu-Enamel"; (2), is it infringed

by defendant; (3), was a cause of action based on an unfair trade and practice stated in the complaint. The court reversed a decree of the District Court dismissing the bill upon defendant's motion, pointing out that the first two queries were questions of fact and that the averments being sufficient as to each of them and also upon the third question, the court should hear the evidence and enter a decree in conformity therewith.

After reversal the defendant filed an answer in which it said: "Defendant admits that the name 'Nu-Enamel' has come to mean and is understood to mean, throughout the United States, including the State of Illinois and the City of Chicago, the plaintiff and plaintiff's products only and the word 'Nu-Enamel' is a mark of which the goods of the plaintiff are distinguished from other goods of the same class."

The mark "Nu-Enamel" has been used since 1922 and was registered in 1933. It has been applied to paints, varnishes, enamels, top dressings, paint brushes, wood powder, patching plaster, wax, varnish remover, glue, mineral oil colors, solder and tack rags, all products of plaintiff. These articles are sold under the mark in 300 stores, operating under the name Nu-Enamel and handling plaintiff's products exclusively, twenty-five of which stores are located in and about Chicago. The name Nu-Enamel appears on the windows of these stores or on the window valances and is displayed by Neon signs. In addition plaintiff's products are sold under the trade-mark in every state of the union, through approximately 3,000 dealers, as well as abroad. Plaintiff has spent several hundreds of thousands of dollars each year in advertising its products under this mark. In connection with the distinctive name, plaintiff uses the slogans "One Coat Covers," "Leaves no Brush Marks"

and "A Coat of Enduring Beauty." From these facts, in connection with defendant's admission, it is apparent that the word "Nu-Enamel" is the mark by which products of plaintiff covering the various articles above mentioned are distinguished from the goods of all other persons. Thus the word has developed a secondary meaning.

It is contended by defendant that the mark "Nu-Enamel" cannot be the subject matter of a valid trademark for the reason that it is descriptive in character, and the District Court so found. We cannot agree. The word "Nu-Enamel" as applied to paints, paint brushes, solder, wax and similar products is in no wise descriptive of the subject matter or of the possibility of results of use of the products. Rather they constitute a fanciful phrase, largely advertised and generally known to the public, signifying the products of plaintiff, irrespective of their composition, character or purpose. The name is similar to the words "Coca Cola" considered by the Supreme Court in *Coca Cola v. Koke Co.*, 254 U. S. 143 where Mr. Justice Holmes said: "The name now characterizes the beverage to be had at almost any soda fountain. It means a single thing coming from a single source, and well known to the community. It hardly ~~would be too much to say that the drink characterizes~~ the name as much as the name of the drink. In other words Coca Cola probably means to most persons the plaintiff's familiar product to be had everywhere rather than a compound of particular substances. Although the fact did not appear in *United States v. Coca Cola Co.*, 241 U. S. 265, 289, we see no reason to doubt that, as we have said, it has acquired a secondary meaning in which perhaps the product is more emphasized than the producer but to which the producer is entitled." It also

comes within the definition of a trade-mark contained in *Elgin Nat'l. Watch Co. v. Illinois Watch Co.*, 179 U. S. 665 at 673. There the court said that a trade-mark is "a distinctive mark of authenticity, through which the products of particular manufacturers or the vendible commodities of particular merchants may be distinguished from those of others. It may consist in any symbol or in any form of words." In view of the fact that the word cannot possibly be descriptive, when applied to plaintiff's products as a whole, but is a manufactured phrase which has come to mean only plaintiff's products, irrespective of their character or purpose, we find it valid.

Furthermore we think the evidence clearly shows infringement. Defendant's mark consists of the word "Nu-Enamel" with the word "Beauty" inserted between the words "Nu" and "Enamel" or between the words "New" and "Enamel." The addition of this word becomes significant in view of the slogan placed by plaintiff on its cans over the trade-mark, "The Coat of Enduring Beauty," where the word "Beauty" appears immediately above the word "Nu-Enamel."

In order to infringe a trade-mark, it is not necessary to use the identical words or that those employed be so similar that a person looking at one would always be deceived into believing that it is the other. It is sufficient to constitute infringement that one adopt a trade-name so like another in form, appearance, spelling or sound that the purchasing public is likely to become confused or misled. *Barton v. Rex-Oil Co.*, 2 F. (2) 402 (CCA3); *Northam Warren Corporation v. Universal Cosmetic Co.*, 18 F. (2) 774; *Meyer v. Dr. B. L. Bull Vegetable Medicine Co.*, 58 Fed. 884. Thus this specific trade-mark was held to be infringed in *Nu-Enamel Cor-*

Enamel Co., Inc., 243 N. Y. App. Div. 32, affirmed in 268 N. Y. R. 574.

That there was confusion between the products of plaintiff and defendant clearly appears. Witnesses testified that they called on dealers handling defendant's product and asked specifically for Nu-Enamel. In forty-six instances New Beauty Enamel was delivered to them, without explanation. This included products marked New Beauty Enamel and Nu Beauty Enamel, the former being the mark adopted by defendant some two months after this suit was brought. Other instances of confusion appear in the record. There was evidence of similarity in advertising, adoption of the slogans of the plaintiff and other acts, all bearing also heavily upon the issue of unfair competition.

As we have had occasion previously to announce, a manufacturer of goods is entitled to the reputation he has established and the public has the right to rely upon its distinctive means of distinguishing between his and other goods. Courts will not unduly extend monopolies under trade-marks, but where a clear property right is shown and it is apparent that that right is being invaded and trespassed upon as in the present case, we shall not hesitate to grant relief. He who establishes a favorable reputation of merchandise under a known mark, brought about by extensive advertising and backed up by continuous manufacture of reputable products branded with definite mark, which indicates not their character or purpose but their origin, shall be protected; and he who attempts to acquire the business which "another has developed through many years of fair dealing and through the expenditures of vast sums in advertising and in establishing a good will," must face the fact that his actions will meet with disapproval and condemnation.

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The facts presented to us in the instant case persuade us that the defendant attempted to convert to its own use the property right which plaintiff had built up represented by the trade-mark.

In view of this determination in this respect, the conclusion of the District Court that it had no jurisdiction of the issue as to unfair competition also were erroneous.

The decree is reversed with directions to proceed in accord with the views herein expressed.

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